

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: CNX Gas Company LLC

DIVISION OF GAS AND OIL
DOCKET NO.: VGOB 06-1114-1809-01

HEARING DATE: January 16, 2007

RELIEF SOUGHT: CHANGE OF UNIT OPERATOR

UNIT: E-32 in the Oakwood Field

Buchanan County, Virginia



AMENDED PETITION FOR CHANGE OF UNIT OPERATOR

1. **Applicant and its counsel:** The Petitioner is **CNX Gas Company LLC**, 2481 John Nash Blvd., Bluefield, West Virginia 24701, 304.323.6500. Applicant's counsel is Mark A. Swartz, PO Box 517, Abingdon, VA 24212.

2. **Information required by 4 VAC 25-160-120.B:**

i. **Name and address of existing operator:**

GeoMet, Inc.
5336 Stadium Trace Parkway, Suite 206
Birmingham, AL 35244
Attention: Joseph L. Stephenson

ii. **Name and address of proposed new operator:**

CNX Gas Company LLC
2481 John Nash Blvd.
Bluefield, WV 24701
Attention: Leslie K. Arrington

iii. **Detailed statement of facts supporting removal of the existing operator:**

Applicant has filed a completed well work permit application, including without limitation, a consent to stimulation signed by the coal operator of the below drainage seams in the unit whereby the coal operator has authorized proposed operator (but not existing operator) to drill through and to stimulate coalbed methane wells within the unit in question.

As of the filing of this amended petition, Applicant believes that the existing unit operator has not filed a permit application. Existing operator has not obtained a consent to stimulate from the coal operator and cannot submit a complete well work permit application for the unit in question.

The Board has previously determined, when it implemented 4 VAC 25-160-120, that due diligence shall be required of its appointed operators in the pursuit of oil and gas development. Because the Board's appointed operator has not applied for a well work permit in this unit, has not obtained the required consent of the coal operator, and cannot file a complete well work permit application for the unit in question, the Board's operator is incapable of operating the said unit with due diligence. Hence, the Board should replace the existing operator who is not authorized by the consent of the coal operator to operate the unit in question with the proposed new unit operator who is so authorized.

It is reasonable to require diligence in pursuing and continuing gas operations for the benefit of owners and claimants in pooled units. Accordingly, it is not reasonable to appoint an operator who cannot drill, stimulate and produce a well(s) with due diligence.

iv. Identification of order to be amended:

No order entered

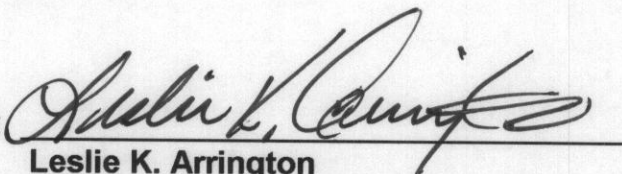
3. Notice to be provided under § 45.1-361.19.B of the Virginia Code and 4 VAC 25-160-120.

4. **Attestation:** The foregoing application, to the best of my knowledge, information, and belief, is true and correct.

CNX Gas Company LLC

Applicant

By:



Leslie K. Arrington

Manager – Environmental Permitting

for CNX Gas Company LLC

2481 John Nash Blvd.

Bluefield, WV 24701

304.323.6500